

HEALTH *watch*

More Seniors Seek Health Information on the Internet, Conferees Told

Ana Nunez-Poole, a health insurance specialist with the Health Care Financing Administration's Center for Beneficiary Services, was one of over 50 lecturers who spoke on the growing phenomenon of Internet-savvy seniors during the Older Adults, Health Information and the World Wide Web Conference, held March 25–26 on the campus of the National Institute of Health.

The conference was staged by the SPRY Foundation, a non-profit research and education organization, along with the University of Georgia's Gerontology Center. More than 300 webmasters, researchers, policymakers and hardware and software developers came together to discuss recent developments and to identify new approaches to expanding opportunities for older adults in accessing health information on the Internet.

HCFA's new consumer information Web site, www.medicare.gov, is part of a national response to seniors' growing demands for up-to-date health information, the conference revealed. That demand is partly fueled by a desire among seniors to play a much larger role in making decisions about their own health care.

Reacting to changes in medical culture, seniors are no longer just patients but consumers, conference participants stressed. As consumers, they are turning, in growing numbers, to Web site features such as "Medicare Compare," which displays specific benefit, cost, quality performance, and beneficiary satisfaction information for all Medicare health plans nationwide.

The 65-plus age group is the fastest growing segment of all Internet users today, and the number of Internet-savvy se-

niors is expected to skyrocket even higher as the baby boom generation nears age 65. The number of older adults searching for health information sites will grow in tandem.

While health-related Web sites available to seniors already are plentiful, challenges now are to ensure that online health information is trustworthy and that Web site designs are suited to seniors' special needs.

The National Institutes of Health, Administration on Aging, Centers for Disease Control and Prevention, Health Resources Services Administration and Office of Disease Prevention and Promotion were other government sponsors of the conference in addition to HCFA. ♦

Pamela Squires, a research coordinator for the SPRY Foundation, contributed this article.



Photo by Larry S. Glenn, Photo-Op, Inc.

Ana Nunez-Poole stands between the Conference Organizing Committee members Drs. Russell E. Morgan, Jr., president of SPRY Foundation (left) and Roger W. Morrell, assistant director of the Gerontology Center at the University of Georgia.

Y2K Outreach Conferences Set Up For Providers

The Health Care Financing Administration (HCFA) is conducting a series of conferences in 12 cities to disseminate Y2K readiness information to the health care provider community. A number of surveys have indicated that the health care industry lags behind other sectors of the economy in preparation for the new millennium. Although there are some recent indications that health care providers are beginning to address Y2K issues, there is a long way to go.

See **Outreach**, page 8



The *HCFA Health Watch* is published monthly, except when two issues are combined, by the Health Care Financing Administration (HCFA) to provide timely information on significant program issues and activities to its external customers.

NANCY-ANN MIN DEPARLE
Administrator

ELIZABETH CUSICK
*Acting Director, Office of
Communications & Operations Support*

JOYCE G. SOMSAK
*Director, Communications Strategies
& Standards Group*

HEALTH WATCH TEAM

JON BOOTH.....410/786-6577
JUSTIN DOWLING.....617/565-1261
WILLIAM KIDD.....Relay: 800/735-2258
410/786-8609
MILDRED REED.....202/690-8617
DAVID WRIGHT.....214/767-6346

Visit Our Web Site!
www.hcfa.gov

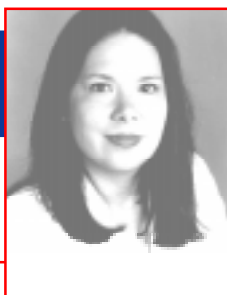
You may browse past issues of the *HCFA Health Watch* at www.hcfa.gov/news/newsltr.htm. Also, should you wish to receive a hard copy, make an address change, or comment on an article, send your e-mail to healthwatch@hcfa.gov.

Is Your Computer System Y2K Compliant?

Have Y2K Questions?
Need an Update on
HCFA's Y2K Policies?

Call
1-800-958-4232

Monday-Friday
8:00 a.m. to 8:00 p.m., E.S.T.



Message from the Administrator

NANCY-ANN MIN DEPARLE

MEDICARE AND EVERYONE who relies upon it got some very good news recently. In its annual report, the Board of Trustees of the Medicare Trust Fund projected that the fund will remain solvent until the year 2015. This is seven years longer than believed possible just a year ago.

A robust economy, prudent management of the Medicare program and an aggressive crackdown on waste, fraud and abuse are, at least in part, responsible for the improvement in the outlook for the Hospital Insurance Trust Fund. Part A is the part of Medicare that pays for care in hospitals, skilled nursing facilities, hospices and home health agencies.

The Administration has worked very hard to rein in Medicare costs in the past year and should be proud of the progress this trustees report shows. There is genuine good news in this report. The projected solvency date has been extended from the forecast of 2008 made by the trustees last year. This is possible, the trustees report mentions, because for the first time since 1994, the Part A trust fund actually had a surplus — income that exceeded program expenditures by \$4.8 billion. Low increases in health care costs generally, along with cost-cutting measures in the Balanced Budget Act of 1997, were cited by the trustees as contributing to the trust fund's surplus.

Even with this news, however, long-term structural difficulties must be addressed. For instance, it is projected that there will only be 3.6 workers for every enrollee when the baby boom generation retires in 2010. The ratio will continue to decline as life expectancy lengthens. The result is an increasing demand on shrinking income.

There is no easy way to fix the program. Almost every member of the health care continuum—patients, doctors, hospitals and insurers—will feel the changes that are ahead. Our job is to make sure that those changes modernize, not paralyze the system. We must be very clear-eyed about what we can realistically do and what we, as a society, want to do with this program.

I know how important the future of this program is to the President and that he and I are both committed to strengthening Medicare as a program that offers enrollees choices: both fee-for-service and managed care programs. There are genuine challenges involved in restructuring a program designed for the world as we knew it over 35 years ago. That's why this new projection is such good news. Nothing of this magnitude should be driven by political concerns or a panic-driven time-table.

As soon as the trustees report was released, President Clinton announced he will propose his own plan that will modernize Medicare by making it more competitive; continue to offer a guaranteed set of core benefits; and, make prescription drugs more affordable and accessible.

There can be no question that new sources of funding and structural changes will have to be made if we, as a nation, are to continue having a strong Medicare program — and I am confident the President and the American people do. ♦

Phoenix Residents Appointed to National Medicare Competitive Pricing Demonstration

Health and Human Services Secretary Donna E. Shalala named 21 Phoenix residents to the local advisory committee. The intent of the committee is to help Medicare test new ways to bring greater competition to the managed care market, and better serve Medicare beneficiaries.

Medicare currently pays HMOs a set rate to provide health care services to Medicare beneficiaries. Because many reports have shown that these rates may be higher than necessary, Congress created a demonstration project in the Balanced Budget Act of 1997 — the Competitive Pricing Demonstration Program. It requires that managed care plans compete to offer a standard set of benefits at the most reasonable cost to the Medicare program. Asking health plans to bid is closer to the way most employers that offer health care coverage decide how much to pay for health care for their employees.

“To help implement the pilot program, Congress and Medicare sought advice from a national committee of representatives from organizations that work with beneficiaries, doctors, hospitals and managed care plans,” HCFA Administrator Nancy-Ann Min DeParle said. “The Competitive Pricing Advisory Committee, not the federal government, decided where the demonstration would take place.” The CPAC selected Phoenix and Kansas City as the first sites for the project.

In addition to the CPAC, Congress called for the creation of a local advisory committee comprised of beneficiary, doctor and health plan representatives to decide on a benefit package that will be similar to what is currently being offered to Medicare beneficiaries in each community. The Area Advisory Committee will hold public meetings to provide Medicare beneficiaries and other interested individuals and organizations with an opportunity to have a voice in the pilot project.

The AAC is charged with making recommendations on the benefit package, the method of setting the government's contribution to premiums, whether to delay using health-based risk adjustment in

year one of the demonstration, and whether health plans should bid on one or more counties in the service area. The AAC will also look at ways to reward managed care plans that provide higher quality health care to beneficiaries. The panel, however, cannot alter any CPAC-approved design decision.

The pilot program is being coordinated by the Health Care Financing Administration, the federal agency that administers Medicare and is the largest purchaser of managed care in the United States. More than 6 million of the nearly 40 million Medicare beneficiaries are currently enrolled in managed care across the country. In Phoenix, 158,000 of the nearly 363,000 Medicare beneficiaries are enrolled in managed care. In the Kansas City area, 52,000 of the 230,000 Medicare beneficiaries are enrolled in managed care. The bidding process is expected to take place during the summer of 1999 with plan payments to begin on January 1, 2000. ♦

For additional information, contact Linda Barnhart at (415) 744-3510 or Peter Ashkenaz at (202) 690-6145.

*Do You Need
Expanded
and
Updated
Print Materials?*

Call
1-800-633-4227

Members of the Phoenix Area Advisory Committee

Joseph P. Anderson, Chair. President and CEO, Schaller Anderson Incorporated ■ Susan Navran. Vice President, Blue Cross Blue Shield of Arizona ■ Dr. Clyde A. Wright. General Manager, Cigna Health Plans of AZ, Inc. ■ Edward Munno, Jr. President and Chief Operating Officer, Intergruop of Arizona ■ Rick Badger. Chief Executive Officer, Pacificare of Arizona ■ Anne Lindeman. Executive Director, Governor's Advisory Council on Aging ■ Martha Taylor. Program Director, Arizona SHIP ■ Mary Lynn Kasunic. Executive Director, Area Agency on Aging ■ Donna Redford. Advocacy Unit Manager, Arizona Bridge to Independent Living ■ Erik Olsen, D.D.S. Beneficiary ■ Reginald Ballantyne III. President, PMH Health Resources, Inc. ■ Anthony Mitten. Executive Director, Maricopa County Medical Society ■ Leland Peterson. President and CEO, Sun Health Corporation ■ John A. Hensing, M.D., Senior Vice President, System Medical Services ■ Joseph Hanss, M.D., Samaritan Health Systems ■ Ben Lopez. Senior Human Services Consultant, Honeywell Corp. ■ Arthur Pelberg, M.D., Vice President of Medicare Services, Schaller Anderson Incorporated ■ Herb Rigberg, M.D., Vice President, Medical Affairs, Health Services Advisory Group ■ Thomas Marreel. Principal Office Head, William M. Mercer Associates ■ Donna Buelow. Assistant Director Member Services, Arizona State Retirement System ■ Charles R. Cohen. Director, Arizona Department of Insurance.

Promoting Quality Care In a Safe Environment

New Actions for Nursing Home Residents

On March 16, 1999, Administrator Nancy-Ann Min DeParle of the Health Care Financing Administration (HCFA) announced new steps the agency is taking to ensure high quality nursing home care and make better consumer information available to residents and their families.

DeParle said these actions build on the Clinton Administration's aggressive initiative to improve enforcement of federal and state nursing home standards and to promote quality care for 1.6 million elderly and disabled Americans in nearly 17,000 nursing homes. HCFA is issuing a regulation that subjects nursing homes with problems to tougher fines; instructing states to investigate complaints about harm to nursing home residents more quickly; launching a national campaign this spring to prevent neglect and abuse of nursing home residents; promoting a Web site where families can get comparative information about nearly 17,000 nursing homes nationwide.

"Today's actions are one more chapter in our ongoing campaign to assure that nursing home residents get attentive, good quality care, and that their concerns are taken seriously and addressed," DeParle said. "We owe it to these residents and their families to prevent problems where we can and address them quickly when they occur."

DeParle also called on Congress to pass patient protection legislation proposed by President Clinton in his Fiscal Year 2000 budget.

In 1995, the Administration issued the nation's toughest-ever nursing home enforcement rules, which led to measurable improvements in quality of care. Ongoing monitoring found that many nursing homes continued to violate rules and that enforcement by some states — which conduct on-site inspections for HCFA and recommend penalties against

homes that violate health and safety rules — remained lax. Those findings helped the Administration develop additional actions announced in July 1998 to enhance protections and target specific needed improvement in nursing home care.

"Americans deserve the peace of mind that they and their loved ones will receive quality and compassionate care in nursing homes. We have taken action to

improve the quality of life in nursing homes and to prod states to do a better job of inspecting nursing homes and recommending sanctions. But we need to do even more," DeParle said. "Continuing to work with Congress, Medicare and Medicaid must use every available tool to make sure nursing homes do right by their residents. States must investigate thoroughly and use the full range of sanctions. Residents and their families must have useful information. Together, we can provide strong incentives for nursing homes to provide quality care and a safe environment in the first place."

STEPS

Important Points of the New Regulation

1.

Tougher fines for health and safety violations

HCFA is issuing a regulation that creates a more effective tool to use against nursing homes that fail to meet the needs of vulnerable residents. It will enable states, which inspect nursing homes, to recommend fines — up to \$10,000 — for each serious incident that threatens residents' health and safety. Existing rules simply link fines directly to the number of days that nursing homes fail to comply with federal requirements. This new civil monetary penalty regulation ensures that regulators do not have to wait until a violation is fixed to assess a penalty. In addition, nursing homes will not have an opportunity to avoid such fines by fixing the violations that led to their imposition. Nursing homes will continue to have the right to appeal such remedies as the law requires.

2.

Quicker state investigations of complaints

HCFA will strengthen complaint-investigation requirements. States already are required to investigate complaints alleging immediate jeopardy to residents within two days and all other complaints in a timely manner. Now, HCFA will require states to investigate within 10 working days whenever a complaint alleges harm to a resident. States also must now add confirmed violations to HCFA's database that tracks compliance in nursing homes. HCFA also will develop minimum federal standards for states to conduct complaint investigations and will identify ways to better oversee states' performance. Existing remedies when surveys and investigations find nursing homes fail to follow federal requirements include terminating their Medicare and Medicaid participation; cutting off payments for new residents; appointing temporary managers; and requiring on-site state monitoring. HCFA toughened enforcement in the 1998 initiative by requiring states to conduct more frequent inspections of nursing homes with repeated serious violations and impose sanctions without a grace period against poor performers. States also must stagger surveys and conduct many on nights and weekends, when safety and staffing problems often occur. HCFA also implemented a new federal monitoring system to ensure that states conduct effective surveys and fulfill their enforcement responsibilities.

3.

Campaign to detect and prevent neglect and abuse

HCFA will launch a national education campaign this spring on how to identify, report and stop neglect and abuse. By teaching residents, their families, nursing home workers and other caregivers to stay alert for signs of neglect and abuse and to act quickly to spot it, the campaign will help residents stay safer and healthier. The campaign will include a new publication, "Living in a Nursing Home," a video with tips on selecting a nursing home, posters that tell residents and their families where to report abuse, and a new version of HCFA's "Guide to Choosing a Nursing Home."

4.

Nursing home comparison information on the Internet

"Nursing Home Compare" at www.medicare.gov will enable Americans to more easily obtain and review that information, which can help them make educated decisions about nursing homes for their loved ones. Nursing homes already are required to make survey results available to residents who request them, but the new Web site has the most recent information from state inspections of every Medicare- and Medicaid-certified nursing home in a consumer-friendly format, as well as location, size and ownership. Users can search nursing homes by name, city, county or ZIP code, and compare data from two or more homes. The information comes from HCFA's Online Survey, Certification, and Reporting (OSCAR) database, which comprises survey data provided and updated by states. HCFA will continue to refine "Nursing Home Compare" to increase its usefulness for consumers, such as by adding information about staffing and the condition of residents. Since testing began in September 1998, HCFA has clarified material on the site in response to comments from users.

5.

Additional budget, legislative proposals

These newest enforcement tools and education efforts are part of HCFA's strategy for ongoing quality improvement in nursing homes. The Administration is also seeking additional funds and legislation to carry out its initiative to protect residents. To implement fully the initiative announced last July, the fiscal year 2000 budget proposes an additional \$60.1 million in funding. The Administration has legislative proposals to require nursing homes to conduct criminal background checks of employees; to establish a national registry of workers who have been convicted of abusing residents; and to allow more types of nursing home workers with proper training to help residents eat and drink during mealtimes. The Administration also supports legislation before Congress protecting Medicaid beneficiaries from being evicted inappropriately by nursing homes.

Medicare to Cover Severe Angina Procedure

Expanding treatment options for Medicare beneficiaries with severe angina (heart-related chest pain), the Health Care Financing Administration (HCFA) announced a national decision to cover enhanced external counterpulsation therapy (EECP), a non-surgical outpatient procedure believed to promote a natural bypass around blocked vessels in the heart.

After reviewing new medical evidence of the procedure's effectiveness in treating severe angina that is unresponsive to standard medical and surgical therapies, HCFA is modifying its national coverage policy to provide limited coverage of some EECP devices.

"As scientific evidence becomes available, we will reconsider national coverage issues," said Jeffrey Kang, M.D., HCFA's chief medical officer and director of the Office of Clinical Standards and Quality. "Medicare beneficiaries who are not candidates for other medical or surgical interventions for severe angina will now have a new treatment option available to them."

Coverage will be available to Medicare beneficiaries whose cardiologist or cardiothoracic surgeon has determined that EECP is medically necessary because (1) their condition is inoperable or they are at high risk of complications; (2) their coronary anatomy is not amenable to surgery; or (3) they have other conditions that would pose excessive risk.

Although the devices used in EECP have been cleared by the Food and Drug Administration for conditions other than severe angina, HCFA has determined there is insufficient evidence to demonstrate medical effectiveness for treating these other conditions at this time. Therefore, other uses of these devices will remain non-covered by Medicare.

Most Medicare coverage decisions are made locally by HCFA contractors; however, HCFA makes national coverage decisions that apply nationwide and supersede local policies. HCFA will issue a coverage instruction, including coding and billing information, to all of its contractors that will specify an effective date when Medicare payment will be available. ♦

Calendar of Speaking Engagements

- | | |
|---------|--|
| May 20 | Deputy Administrator Michael Hash speaks at the Council of Ethical Organizations in Durham, N.C., on <i>HCFA: Agency Perspective on Ethics, Quality of Care and Compliance</i> |
| May 21 | Deputy Administrator Hash addresses the Association of American Medical Colleges in Palm Beach, Fla., on <i>BBA Provisions, Status of Medicare+Choice, Issues Related to Part B Reimbursement Including Changes in Physician Fee Schedules, etc.</i> |
| June 9 | Administrator Nancy-Ann Min DeParle attends the National Mental Health Association's Clifford W. Beers Annual Conference in Washington, D.C. |
| June 16 | Administrator DeParle addresses Health on Wednesday in Washington, DC, on <i>HCFA Issues</i> . |

Selected Health Issues on the Web

<http://www.mathematica-mpr.com/projects/bestpractices/>

Best Practices

Section 4016 of the Balanced Budget Act of 1997 (P.L. 105-33) calls for an assessment of best practices of coordinated care for chronic illness in the private sector and a demonstration project for the Medicare fee-for-service population. You can help reduce expenditures under Parts A and B of the Medicare program by using this Web site to nominate programs for best practices, learn more about the project, or provide general comments. The project's contractor is Mathematica Policy Research, Inc., who is interested in already implemented, effective programs of coordinated care (such as, but not limited to, case management, disease management, geriatric evaluation and management) appropriate for the Medicare population. This Web page may be used to submit information on coordinated care programs, for which there is some quantitative evidence of reduction in cost, in the need for expensive health care services, or of improvement in patient outcomes. Any person or organization may respond. However, since information submitted on potential best practices must provide sufficient detail to be useful, program operators may be in the best position to comment. All information provided to MPR will be kept in the strictest of confidence.

<http://www.gao.gov/new.items/he99087t.pdf>

REPORT NUMBER: T-HEHS-99-87 (20 pp. MARCH 17, 1999)

Medicare+Choice Payments

The Government Accounting Office's report entitled *Medicare: Progress to Date in Implementing Certain Major Balanced Budget Act Reforms* in Portable Document File format is available at the above Web site. Comments focus on the implementation of (1) the Medicare+Choice program, particularly the payment method and consumer information efforts, and (2) prospective payment systems for skilled nursing facilities (SNF) and home health

agencies (HHA) in Medicare's traditional fee-for-service program.

<http://www.gao.gov/new.items/he99089t.pdf>

T-HEHS-99-89 (10 pp. MARCH 22, 1999)

Enforcement Practices

The above Web site offers the Government Accounting Office's report entitled *Nursing Homes: Stronger Complaint and*

Enforcement Practices Needed to Better Assure Adequate Care in Portable Document File format. The report discusses the GAO findings on the effectiveness of complaint and enforcement practices, which are an integral part of the federal-state process to protect nursing home residents and to ensure that homes participating in Medicare and Medicaid comply with federal standards. ♦

Visit

www.medicare.gov

A Beneficiary-oriented Web Site

Positron Emission Tomography (PET) Scan Coverage Expanded

Following an expedited review of scientific information presented at a January town hall meeting, the Health Care Financing Administration (HCFA) recently announced a national decision to cover additional uses of positron emission tomography (PET) scans to diagnose and manage certain cancers in Medicare beneficiaries.

Medicare already covers PET scanning for the diagnostic evaluation of solitary pulmonary nodules and for staging non-small cell-lung cancer. Three new oncology indications will now be covered: detection and localization of recurrent colorectal cancer with rising carcinoembryonic antigen known as CEA; staging and characterization of both Hodgkins and non-Hodgkins lymphoma in place of a gallium scan or lymphangiogram; and identification of metastases in melanoma recurrence in place of gallium studies.

The town hall meeting brought together clinical experts, consumer advocates, medical equipment manufacturers and others to discuss the use of PET scanning for the evaluation and management of head and neck, brain and colorectal cancers, melanoma, and lymphoma. HCFA staff have been working collaboratively with interested parties to review scientific information about oncology indications for PET scanning since 1997.

PET is a non-invasive imaging procedure that assesses metabolic activity in different parts of the body. A positron camera is used to produce cross-sectional images of the body by detecting radioactivity from a radioactive tracer substance injected into the patient.

While most Medicare coverage decisions are made locally by HCFA contractors — the private companies that by law process and pay Medicare claims — HCFA makes national coverage decisions that apply and supersede local policies. HCFA will next issue a coverage instruction, including coding and billing information, to all its contractors that will specify an effective date when Medicare payment for additional PET scan indications will be available. ♦

New Regulations/Notices

Medicare Program; Year 2000 Readiness Letter [HCFA-0001-N] — Published 2/4. The Health Care Financing Administration (HCFA) recently mailed a letter to over a million of its health care partners and provider-related associations regarding the Y2K issue. In addition to the letter to providers and the resource information on its Web site, www.hcfa.gov, HCFA has established a Y2K Speakers Bureau and is prepared to make speakers available to health care provider organizations that wish more detailed information about Y2K readiness and the implications of the millennium change for the industry.

State Children's Health Insurance Program; Reserved Allotments to States for Fiscal Year 1999 and Revised Reserved Allotments to States for Fiscal Year 1998 [HCFA-2014-N] — Published 2/8. This notice provides notification of the reserved fiscal year (FY) 1999 State allotments available to provide federal funding to individual states, commonwealths, and territories for expenditures in the new State Children's Health Insurance Program (CHIP) established under title XXI of the Social Security Act (the Act). This notice also provides revised reserved state CHIP FY 1998 allotments, which were originally published in the *Federal Register* on September 12, 1997. These reserved state CHIP allotments are estimates of states' FY 1998 and FY 1999 title XXI allotments, assuming that each state submits and receives approval for, a state child health plan.

Medicare Program; March 15, 1999, Meeting of the Practicing Physicians Advisory Council [HCFA-1064-N] — Published 2/12. This notice announced a meeting of the Practicing Physicians Advisory Council (the Council) on March 15, 1999. This meeting was open to the public. The Council meets quarterly to discuss certain proposed changes in regulations and carrier manual instructions released to physicians' services.

Medicare Program; Changes to the FY 1999 Hospital Inpatient Prospective Payment Wages Index and Standardized Amounts Resulting from Approved Requests for Wage Data Revisions [HCFA-1049-F] — Published 2/25. This final rule implements revised wage index values, geographic adjust-

ment factors, operating standardized amounts, and capital federal rates for hospitals subject to the inpatient prospective payment system. These revisions will be implemented on a prospective basis. The provisions of this final rule became effective on March 1, 1999.

Medicaid Program; Decision on Funding for the AIDS Healthcare Foundation START Program [HCFA-2041-N] — Published 3/4. This notice announces the award of a grant in the sum of \$2 million to the AIDS Healthcare Foundation of Los Angeles, California, for a demonstration project entitled, "START PROGRAM: Success Through Anti-Retroviral Therapy." This notice was effective on February 25, 1999.

Medicare Program; Prospective Payment System for Hospital Outpatient Services; Extension of Comment Period [HCFA-1005-3N] — Published 3/12. This notice extends the comment period for the third time on a proposed rule published in the *Federal Register* on September 8, 1998, (63 FR 47552). That proposed to eliminate the formula-driven overpayment for certain outpatient hospital services, extend reductions in payment for costs of hospital outpatient services, and establish in regulations a prospective payment system for hospital outpatient services (and for Medicare Part B services furnished to inpatients who have no Part A coverage). The comment period is extended to 5 p.m. on June 30, 1999.

Medicare Program; Update of Ratesetting Methodology, Payment Rates, Payment Policies, and the List of Covered Procedures for Ambulatory Surgical Centers Effective October 1, 1998; Extension of Comment Period [HCFA-1885-5N] — Published 3/12. This notice extends the comment period for the fifth time on a proposed rule published in the *Federal Register* on June 12, 1998 (63 FR 32290). That proposed to make various changes, including changes to the ambulatory surgery center (ASC) payment methodology and the list of Medicare covered procedures. The comment period is extended to 5 p.m. on June 30, 1999.

State Children's Health Insurance Program; Reserved Allotments to States for Fiscal Year 1999 and Revised Reserved Allotments to States for Fiscal Year 1998 [HCFA-2014-N] — Published 3/12. COR-

RECTION: In notice document 99-2859 beginning on page 6102 in the issue of Monday, February 8, 1999, make the following correction: On page 6107, in the table "State Children's Health Insurance Program Fiscal Reserved Allotments for Fiscal Year 1999," in the "Maryland" state entry, under "Allotment" "61,363,309" should read "61,336,309,"

Medicare and Medicaid Programs; Civil Money Penalties for Nursing Homes (SNF/NF), Change in Notice Requirements, and Expansion of Discretionary Remedy Delegation [HCFA-2035-FC] — Published 3/18. This final rule with comment period expands current Medicare and Medicaid regulations regarding the imposition of civil money penalties imposed on nursing homes that are not in compliance with program requirements. This new rule adds the ability for HCFA or the state to impose a single civil money penalty amount for an instance of a nursing home's noncompliance. HCFA is also deleting language to remove the requirement of a maximum notification period for imposition of a remedy. These regulations are effective on May 17, 1999.

Medicare Program; Meetings of the Competitive Pricing Demonstration Area Advisory Committee, Kansas City Metropolitan Area [HCFA-1068-N] — Published 3/11. In accordance with Section 10(a) of the Federal Advisory Committee Act, this notice announces four meetings of the Area Advisory Committee for the Kansas City metropolitan area Competitive Pricing Demonstration. The Balanced Budget Act of 1997 (BBA) requires the Secretary of the Department of Health and Human Services (the Secretary) to establish a demonstration project under which payments to Medicare+Choice organizations in designated areas are determined in accordance with a competitive pricing methodology. The BBA requires the Secretary to appoint an Area Advisory Committee (AAC) in the designated areas to advise on the marketing and pricing of the plan and other factors. The last of four AAC meetings was on May 12, 1999, at the Hilton-Kansas City Airport, 8801 NW, 112th Street, Kansas City, Missouri, 64106, from 8:30 a.m. to 5:30 p.m.

Practicing Physicians Advisory Council Appointees

HHS Secretary Donna E. Shalala appointed three members and the first woman to chair the Practicing Physicians Advisory Council, who were sworn in during the council's quarterly meeting on March 15, 1999.

Marie G. Kuffner, M.D., of Los Angeles, Calif., who was vice chairman last year, is the new chairman. The new members are Stephen A. Imbeau, M.D., an internist and allergist from Florence, S.C.; Dale Lervick, an optometrist from Lakewood, Colo.; and Victor Vela, M.D., a family practice physician from San Antonio, Texas. Richard A. Bronfman, a podiatrist from Little Rock, Ark., was reappointed to the council. They will serve four-year terms.

The three members ending their council service are Gary C. Dennis, M.D., Ardis D. Hoven, M.D., and Marc A. Lowe, M.D.

The 15-member council, established by Congress in 1990, meets quarterly to advise the HHS Secretary on proposed changes in regulations and carrier manual instructions which relate to physicians' services under Medicare and Medicaid. ♦

Outreach, from page 1

HCFA anticipates that the conferences will give providers practical information to help them meet the Y2K challenge. The conference agenda includes: necessary changes to process claims, how to assure that patient care is not affected, financing Year 2000 preparations, where to find low cost or free Y2K tools, management of biomedical equipment and pharmaceutical risks and other timely information to help providers weather the Year 2000 changeover. The day long conferences are scheduled for Fargo, N.D. on May 19, Minneapolis on May 26, New Orleans on June 2, Tampa/St. Petersburg on June 9, Phoenix on June 15 and Seattle on June 17. Providers can register online at <http://www.rx2000.org> or by calling DeCarlos Bradley at 301-270-0841, Ext. 209.

In addition to these conferences, HCFA is developing special plans for Y2K outreach to rural providers. To answer provider questions about Y2K, a toll free line, 1-800-958-HCFA, is now available Monday through Friday, 8 a.m. to 8 p.m. E.S.T., excluding federal holidays. Further, information on HCFA's Web site, <http://www.hcfa.gov/y2k>, is being updated continually. Finally, a nationwide HCFA Y2K Speakers Bureau has been created to make speakers available to organizations that wish to learn more about Y2K and what it means for Medicare and Medicaid providers. These

are only a few of the many initiatives that HCFA has undertaken to assure a smooth transition to the new millennium for health care providers, and ultimately for beneficiaries. ♦

Anita Shalit, who works in HCFA's Office of Communications and Operations Support, contributed to this article.

Regulations, from page 7

Medicare Program; Meetings of the Competitive Pricing Demonstration Area Advisory Committee, Maricopa, Arizona [HCFA-1101-N] — Published 3/11. In accordance with Section 10(a) of the Federal Advisory Committee Act, this notice announces three meetings of the Area Advisory Committee for the Maricopa County Competitive Pricing Demonstration. The Balanced Budget Act of 1997 (BBA) requires the Secretary of the Department of Health and Human Services (the Secretary) to establish a demonstration project under which payments to Medicare+Choice organizations in designated areas are determined in accordance with a competitive pricing methodology. The BBA requires the Secretary to appoint an Area Advisory Committee (AAC) in the designated areas to advise on the marketing and pricing of the plan and other factors. The last of three AAC meetings will be held on May 18, 1999, at the YWCA of the USA, Leadership Development Conference Center, 9440 North 25th Avenue, Phoenix, AZ 85021, from 8:30 a.m. to 5:30 p.m. M.S.T. ♦



Department of Health & Human Services
Health Care Financing Administration
7500 Security Boulevard, Mail Stop C5-15-07
Baltimore, Maryland 21244-1850

OFFICIAL BUSINESS

PENALTY FOR PRIVATE USE, \$300

First Class Rate
Postage & Fees

PAID

HHS Permit No. G-28